

## Processed Chicken: National Mechanically Separated Chicken (Fri.) Agricultural Marketing Service

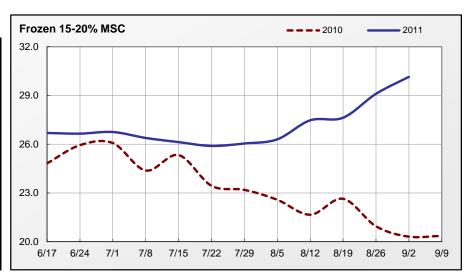
**Poultry Market News & Analysis** 

(F.O.B. Shipper Dock or equivalent; negotiated prices in trucklot and less-than-trucklot volumes reported in thousand pound quantities, cents/pound; delivery within 2 weeks.)

MSC prices trended firm to higher on all fat contents. MSC supplies were very light to moderate. Schedules were seasonally normal to reduced for the Labor Day holiday. Demand was good into both domestic and export channels. The spot marketplace remains strong going into the holiday weekend despite traditional seasonal patterns. The higher prices and good demand has been attributed to strong export interest and buying, good finished product sales both domestically and abroad, increased production preparations for the hurricane season, traditional increases into pet food channels, limited MSC availability due to industry cutbacks, high grain prices, and others. Industry is closely monitoring the spot marketplace to see its reaction after the holiday and have begun to prepare for the fast approaching contract season, which usually doesn't begin until late September or October at the earliest. Market activity was active with many buyers seeking out fresh 15-20%, especially for Mexico. Supplies of raw materials continue tight and sought after. Frames traded between 12-16 cents FOB.

Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

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	Frozen			Fresh			
Fat Content	2-Sep-11	Last Week	Last Year	2-Sep-11	Last Week	Last Year	
15% or Less							
Price Range			-	30.00 - 32.00	30.00	19.00	
Wtd Avg Price			-	31.60	30.00	19.00	
Volume Traded	-	-	-	204	143	82	
Volume Exported	-	-	-	-	-	-	
15-20%							
Price Range	26.00 - 32.00	26.00 - 32.00	16.00-24.00	25.00 - 34.00	26.00 - 34.00	13.00-20.00	
Wtd Avg Price	30.14	29.10	20.31	29.84	28.87	16.14	
Volume Traded	1,437	1,542	2,118	3,590	3,886	2,978	
Volume Exported	1,377	1,542	2,038	938	612	245	
20% or More							
Price Range	-	-	-	-	22.00	17.00	
Wtd Avg Price			-		22.00	17.00	
Volume Traded	-	-	-	-	41	41	
Volume Exported	-	-	-	-	-	-	



## Monthly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

	Frozen			Fresh		
Fat Content	Aug 2011	Jul 2011	Aug 2010	Aug 2011	Jul 2011	Aug 2010
15% or Less						
Wtd Avg Price	-	-	-	27.24	24.43	21.51
Volume Traded	-	-	-	592	571	628
Volume Exported	-	-	-	-	-	200
15-20%						
Wtd Avg Price	27.62	26.21	21.80	26.57	23.56	16.91
Volume Traded	6,288	8,116	6,995	16,134	22,513	12,159
Volume Exported	5,888	7,486	6,067	2,489	2,122	2,122
20% or More						
Wtd Avg Price	-	-	-	20.67	20.00	18.57
Volume Traded	-	-	-	245	408	286
Volume Exported		-	-	-	-	-

Note: Volume exported refers to that portion of the total volume that is destined for export markets.

